AIR FORCE SOURCE SELECTIONS

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Overview

- Definition & Your Role
- Organization & Structure
- Source Selection Process

WHAT IS A SOURCE SELECTION?

FAR Part 15 competitive procedures are intended to:

- **Minimize complexity of the solicitation, evaluation and the source selection decision**

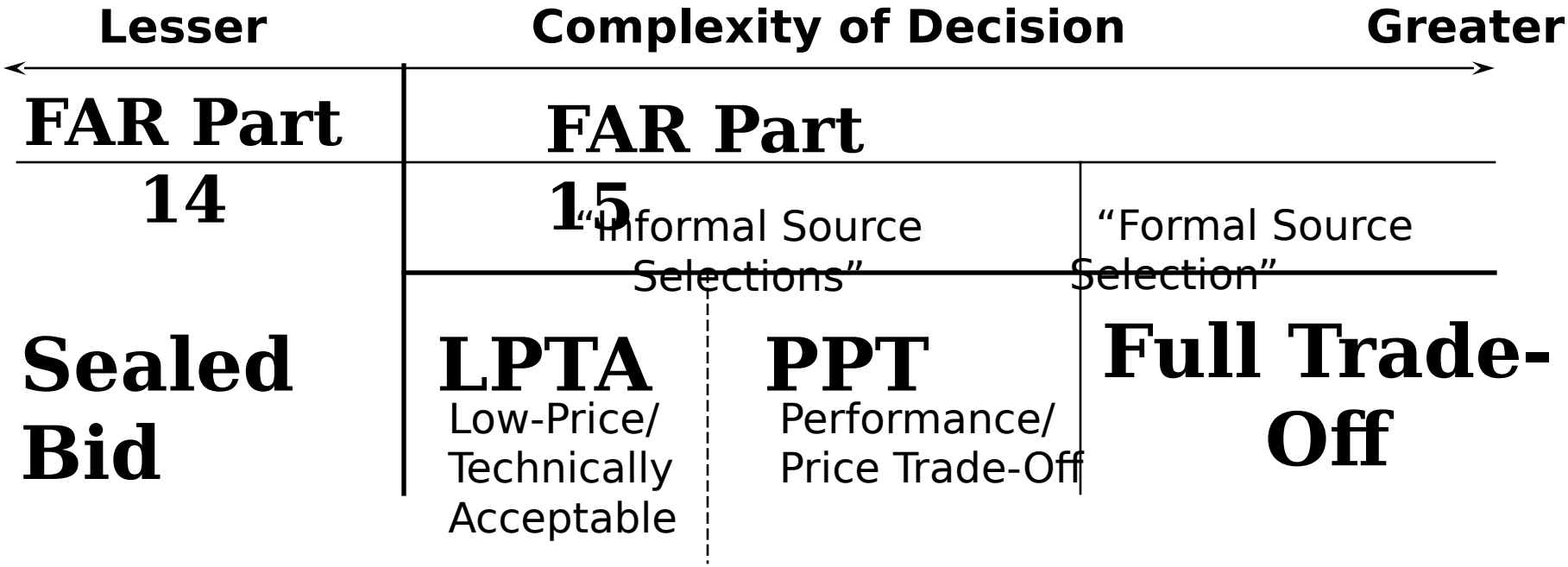
- **Foster an impartial and comprehensive proposal evaluation**

- **Lead to selection of the proposal representing the best value to the Government**

What is a Source Selection?

"A structured process for assimilating a large amount of information so that one person, the Source Selection Authority (SSA), can decide which offeror represents the best value for the Government."

The Best Value Continuum



BEST VALUE

Source Selection Processes
on the
Best Value Continuum

LPTA* Process

Tech Stds Pass/Fail
Lowest Priced Price
No Trade-Offs
Past Perf not Evaluated

Trade-Off Process

Cost /Tech Trade-Offs
May award to Higher

Evaluate Past Perf

*** Lowest Price, Technically Acceptable**

Source Selection Guidance

- FAR 15.3
- AFFARS Subpart 5315.3
  - Replaces all current Air Force source selection coverage as of 4 June 1999, AFAC 96-2
  - Rescinds AFFARS Appendices AA and BB
  - Policy all in one place
- Source Selection Procedures Document
  - SAF/AQC Homepage
    http://www.safaq.af.mil/contracting/library/sspol_proc.html

Major Features of New Source Selection Policy

- **3 Categories of Source Selection**
- **Changed Source Selection Authority Levels**
- **Evaluation Factors**
- **New Color and Past Performance Definitions**
- **Performance-based Emphasis**
- **Exchange Phases**
- **Documentation (PAR and PER)**
- **Release of Rating Status**

Attorney's Role

- Reviewer
- Advisor
- Defender

THE SOURCE SELECTION ORGANIZATIONAL STRUCTURE

3 Categories of Source Selection

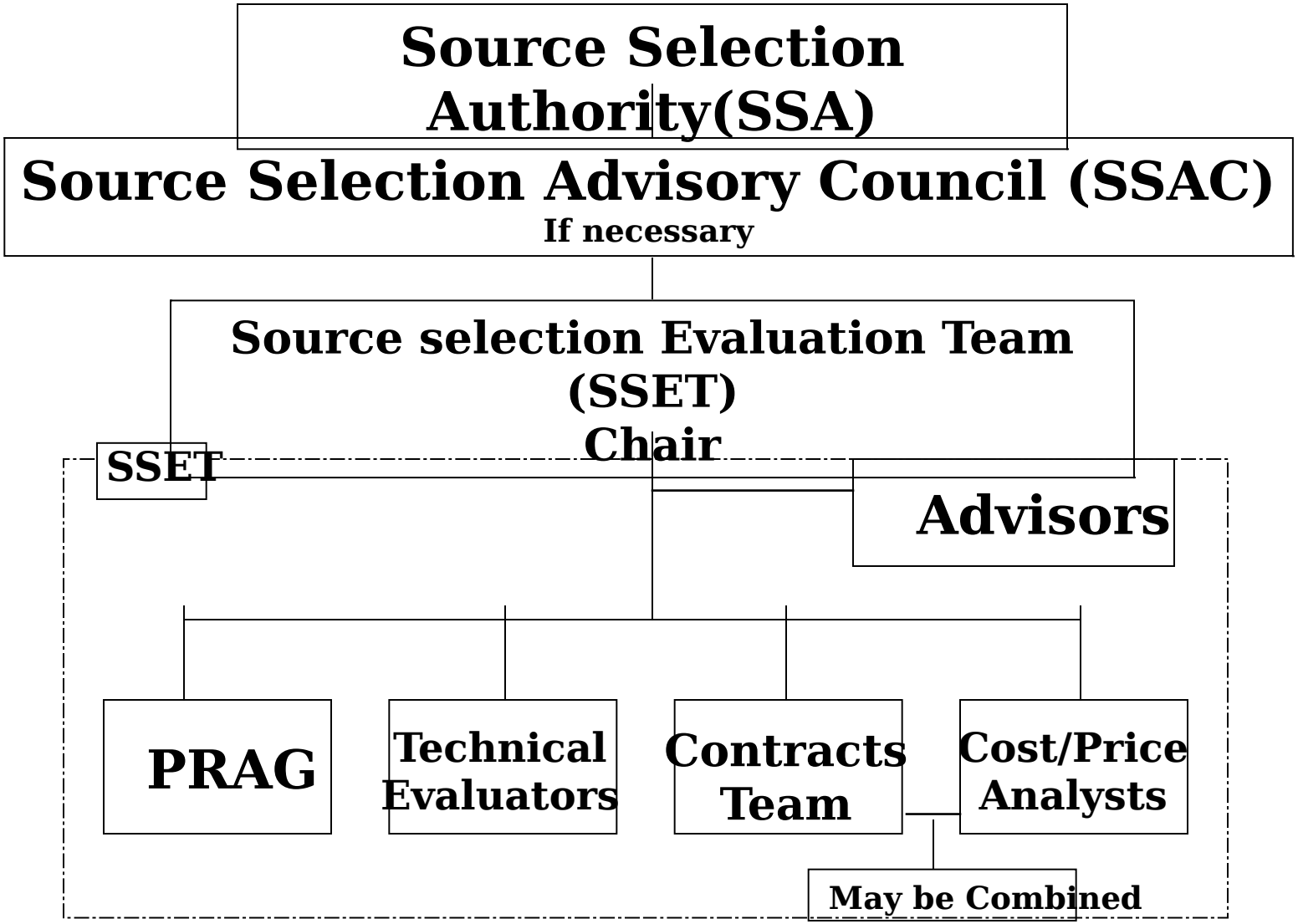
AFFARS 5315.300

- **Basic ($100K to <$10M)**
  - **2 person team (Contracting Officer and technical)**

- **Median ($10M to $100M)**
  - **Limited Number of Personnel**
  - **SSA, SSET, PRAG Optional, CO**

- **Agency (> $100M)**
  - **Limited Number of personnel**
  - **SSA, SSAC (normally), SSET, PRAG, CO**

SOURCE SELECTION ORGANIZATION*
MEDIAN AND AGENCY



*BASIC = Technical Evaluator and PCO

Source Selection -Key Participants

- Source Selection Authority (SSA)
  - The official designated to make the SS decision
- Source Selection Advisory Council (SSAC)
  - Senior personnel who provide counsel and prepare a comparative analysis of the SSET's evaluation results
- Source Selection Evaluation Team (SSET)
  - Represents necessary functional disciplines
  - Conducts evaluation of proposals
  - Reports findings to SSAC/SSA
- Contracting Officer
  - Acquisition business manager
- SSET Chairperson
  - Ensures proper and efficient source selection execution

Source Selection Authority (SSA)

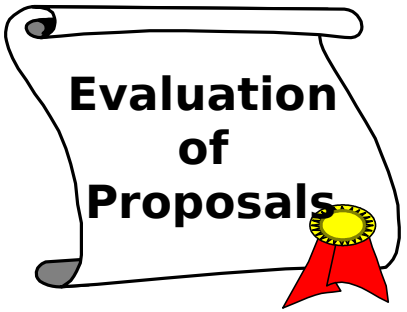
- SSA will depend upon the nature of the acquisition and the dollar threshold
- AFARS 5315 App. 3 Matrix
  - SAT to $10 M Contracting Officer
  - >$10M to< $50 M Single Manager
  - >$50M to <$500M PEO or DAC/Center CC
  - >$500M PDASAF (A&M)

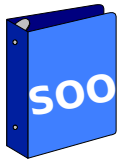
THE SOURCE SELECTION PROCESS

Critical Front-end Documents

- Source Selection Plan
  - Source Selection Organization
  - Proposal evaluation method
  - Selection of source(s)
  - Approved by SSA prior to RFP release
- RFP
  - Section L - Instructions to Offerors
  - Section M - Evaluation Factors for Award

Source Selection Evaluation





Statement of Objectives

Work Breakdown Structure

Instructions

Selection Factors

Model Contract

Contractor Work Breakdown Structure

IMP & IMS

Technical Volume

Contract

- Integrated Assessment
  - Mission Capability
  - Performance Risk
  - Proposal Risk
  - Cost

Selection Based on Contractor's Ability to Define a Viable Program

Oral Proposals

- FAR 15.102
- A real time audio and visual presentation of proposal information in response to a solicitation.
- May substitute for, or augment, written information
- May occur at any time during the process
- Subject to same restrictions as written information
  - Timing
  - Content

Advantages

- Can reduce time and costs associated with the source selection process
- Some information is easier to communicate orally or visually (rather than in writing)
- Allows for greater interaction
- Levels playing field for contractors unfamiliar with government unique proposal requirements

Disadvantages

- Proposal costs may increase due to perceived requirement to train presenter
- Dialogue may be stifled by fear of entering into discussions
- SB offerors may be unwilling to participate
- The quality (vice content) of the presentation may unduly influence the evaluation
- Logistics considerations (facilities, equipment etc)
- May be more time consuming if written proposals are used

Considerations

- Types of information to be presented orally
- Amount of time allotted for the presentation
- Speaker(s)
  - Qualifications
  - Limits on number(s) of speakers
  - Generally key personnel, not marketing staff
- Description of facilities, equipment available
- Limitations on font size, use of color etc.
- Requirements for or limitations on the use of written material to supplement orals

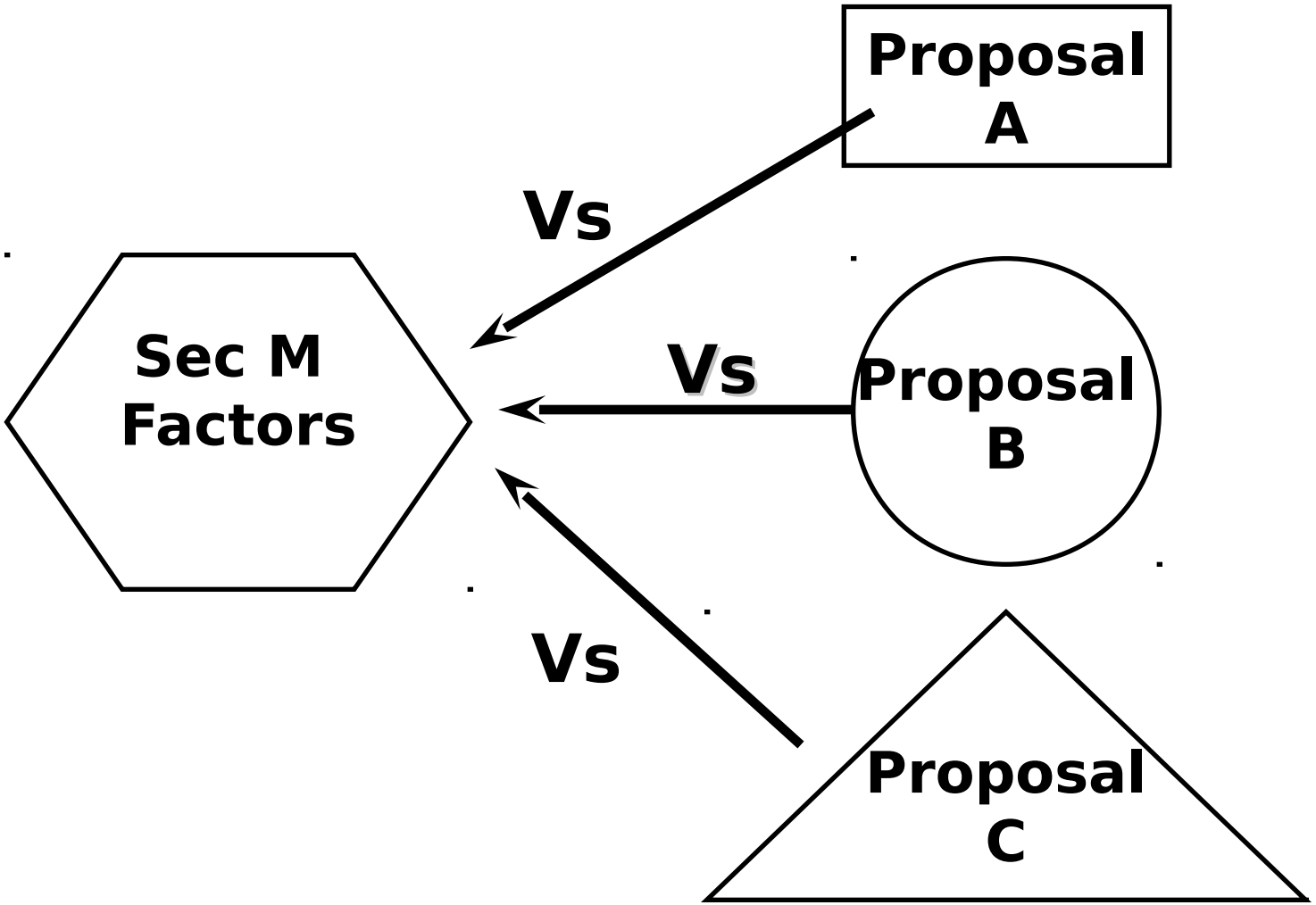
Considerations

- Location, time and date for presentation
- Time allotted for presentation
- Scope and content of exchanges between government and industry participants
- State intentions regarding recording
  - Audio only
  - Video taping
- Describe method for determining order of presentations (ex. Lottery)

Evaluation Factors

- Factors and subfactors combine old “AA/BB” specific criteria, assessment criteria and evaluation standards
  - *Only* those specific program characteristics *significant* enough to *impact* selection *decision*
- NO SEPARATE, UNDISCLOSED, EVALUATION STANDARDS

Evaluators compare proposal to Sec M criteria not each other



Mandatory Evaluation Factors

PAST PERFORMANCE

MISSION CAPABILITY

- MC-1 PERFORMANCE VERIFICATION
- MC-2 DESIGN APPROACH
- MC-3 MANUFACTURING APPROACH
- MC-4 PROGRAM MANAGEMENT

PROPOSAL RISK

REALISM

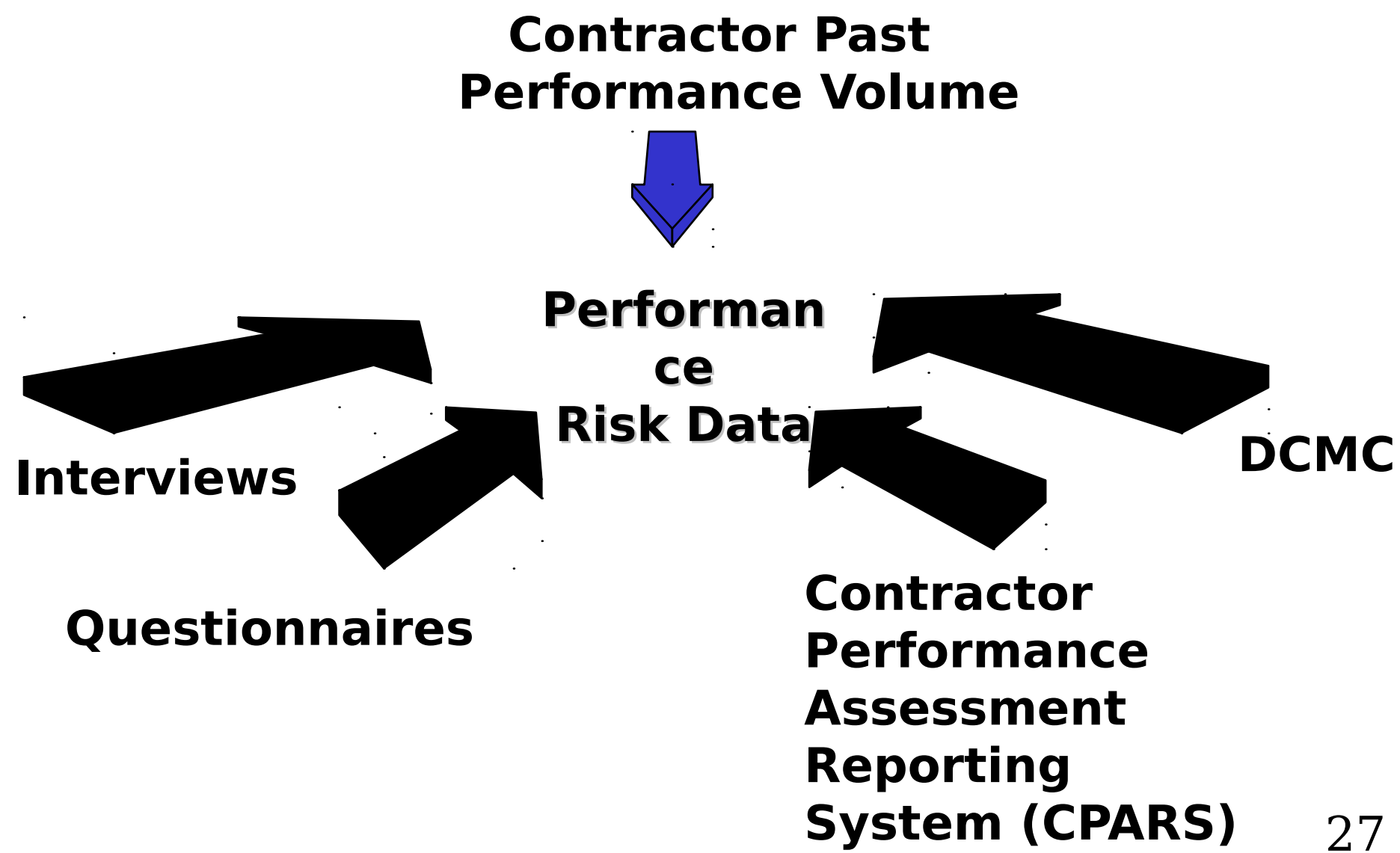
REASONABLENESS

COST/PRICE

PERFORMANCE RISK EVALUATION

- ASSESSED BY THE PERFORMANCE RISK ASSESSMENT GROUP (PRAG)
- ASSIGNING RATING AT FACTOR LEVEL BASED ON SUBFACTOR ASSESSMENT OR MAY HAVE PRAG RECOMMEND FACTOR LEVEL ASSESSMENT
- SHALL BE AT LEAST AS IMPORTANT AS AS THE MOST IMPORTANT NON-COST FACTOR
- ASSESSED USING RELEVANT PAST PERFORMANCE
  - MISSION CAPABILITY SUBFACTORS
  - COST/PRICE
- EVALUATED AS A MEASURE OF THE GOVERNMENT'S CONFIDENCE IN THE OFFEROR'S ABILITY TO SUCCESSFULLY PERFORM BASED ON PREVIOUS AND CURRENT CONTRACT EFFORTS.
- NARRATIVE ASSESSMENT SHALL INCLUDE:
  - Positive and Negative Aspects which support the performance risk rating.

Past Performance Data Sources



What is "Relevant" Data?

- Relevant
  - Product/service similarity
  - Program complexity
  - Contract type
  - Contract environment
  - Division of company doing work
  - Timeliness (Within 3 years)
  - Cost/price
- Not Relevant
  - No past performance
  - History of filing claims

PERFORMANCE CONFIDENCE RATING

Exceptional/ High	**Based on the offeror's performance record, essentially no doubt exists that the offeror will successfully perform the required effort.**
Very Good/ Significan	**Based on the offeror's performance record, little doubt exists that the offeror will successfully perform the required effort.**
Satisfactory/ Confidence	**Based on the offeror's performance record, some doubt exists that the offerors will successfully perform the required effort.**
Neutral/ Unknown	**No performance record identifiable (See FAR 15.305(a)(2)(iii) and (iv)).**
Marginal/ Little	**Based on the offeror's performance record, substantial doubt exists that the offeror will successfully perform the required effort. Changes to the offeror's existing processes may be necessary in order to achieve contract requirements.**
Unsatisfactory/ No Confidence	**Based on the offeror's performance record, extreme doubt exists that the offeror will successfully perform the required effort.**

BREAK TIME

Mandatory Evaluation Factors

PAST PERFORMANCE

MISSION CAPABILITY

- MC-1 PERFORMANCE VERIFICATION
- MC-2 DESIGN APPROACH
- MC-3 MANUFACTURING APPROACH
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PROPOSAL RISK

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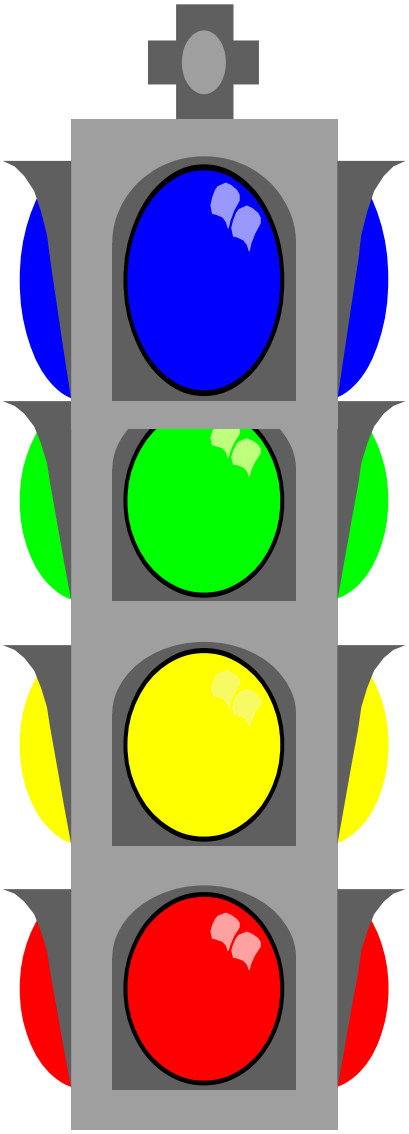
COST/PRICE

Mission Capability

- Technical evaluation of offeror's proposal against requirements or objective and threshold requirements when used
  - Mandatory at the subfactor level (shall not roll up)
  - Focus on strengths and inadequacies of proposal

MISSION CAPABILITY PROPOSAL COLOR CODES



BLUE-EXCEPTIONAL: Exceeds specified minimum performance or capability requirements in a way beneficial to the Air Force.

GREEN-ACCEPTABLE: Meets specified minimum performance or capability requirements necessary for acceptable contract performance.

YELLOW-MARGINAL: Does not clearly meet some specified minimum performance or capability requirements necessary for acceptable contract performance, but any proposal inadequacies are

RED-UNACCEPTABLE: Fails to meet specified minimum performance or capability requirement. Proposals with an unacceptable rating are not awardable.

MISSION CAPABILITY

- **NARRATIVE ASSESSMENT SHALL INCLUDE:**
  - **STRENGTH: A SIGNIFICANT, OUTSTANDING, OR EXCEPTIONAL ASPECT OF AN OFFEROR'S PROPOSAL THAT HAS MERIT AND EXCEEDS SPECIFIED PERFORMANCE OR CAPABILITY REQUIREMENTS IN A WAY BENEFICIAL TO THE AIR FORCE, AND EITHER WILL BE INCLUDED IN THE CONTRACT OR IS INHERENT IN THE OFFEROR'S PROCESS.**
  - **PROPOSAL INADEQUACY: AN ASPECT OR OMISSION FROM AN OFFEROR'S PROPOSAL THAT MAY CONTRIBUTE TO A FAILURE IN MEETING SPECIFIED MINIMUM PERFORMANCE OR CAPABILITY REQUIREMENTS**
  - **DEFICIENCY: A MATERIAL FAILURE OF A PROPOSAL TO MEET A GOVERNMENT REQUIREMENT OR A COMBINATION OF SIGNIFICANT WEAKNESSES IN A PROPOSAL THAT INCREASES THE RISK OF UNSUCCESSFUL CONTRACT PERFORMANCE TO AN UNACCEPTABLE LEVEL.**

MANDATORY EVALUATION FACTORS

PAST PERFORMANCE

MISSION CAPABILITY

- MC-1 PERFORMANCE VERIFICATION
- MC-2 DESIGN APPROACH
- MC-3 MANUFACTURING APPROACH
- MC-4 PROGRAM MANAGEMENT

PROPOSAL RISK

REALISM

REASONABLENESS

COST/PRICE

PROPOSAL RISK DEFINITIONS

HIGH	**Likely to cause significant disruption of schedule, increase cost, or degradation of performance. Risk may be unacceptable even with special contractor emphasis and and close government monitoring**
MODERATE	**Can potentially cause some disruption of schedule, increase cost, or degradation of performance. Special contractor emphasis and close Government monitoring will probably be**
LOW	**Has little potential to cause disruption of schedule, increase cost, or degradation of performance. Normal contractor effort and normal Government monitoring will probably be able to overcome difficulties.**

MANDATORY EVALUATION FACTORS

PAST PERFORMANCE

MISSION CAPABILITY

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PROPOSAL RISK

COST/PRICE

- **REALISM**
- **REASONABLENESS**

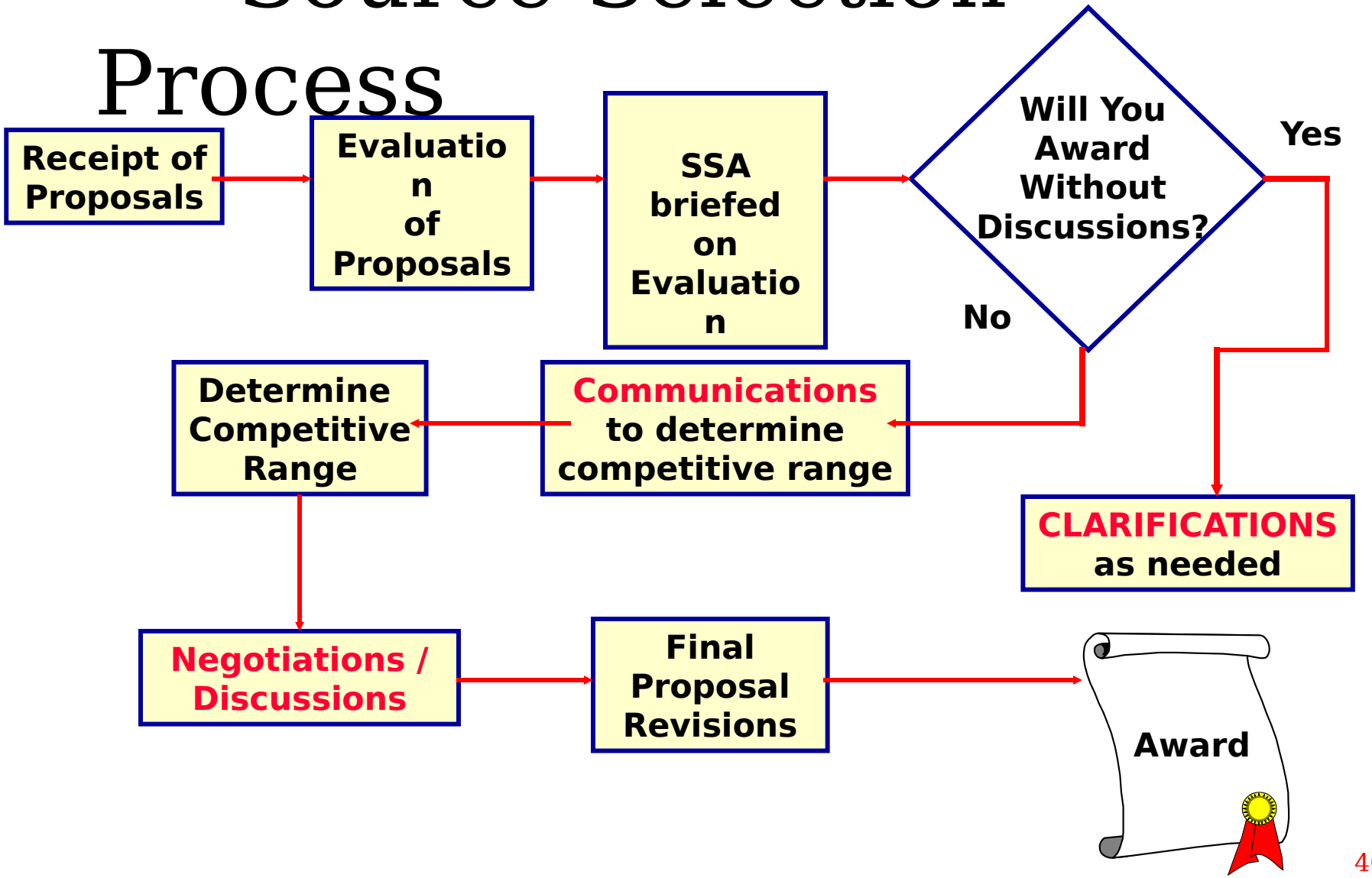
Cost/Price Evaluation

- Level of analysis varies with
  - Contract complexity
  - Degree of competition
  - Program phase
  - Type of product/service being acquired
  - Contract type
- Entire team should have access to cost/price data
- Part of integrated assessment of offers

Briefing to SSA

Perkins	Color Rating	Perf Risk	Prop Risk	Color Rating	Perf Risk	Prop Risk	Denny's
Eggs Any Style	Blue	VG	L	Green	S	L	Poached
Sausage Links	Green	VG	L	Blue	VG	L	Links or Patties
String Potatoes	Green	VG	L	Green	VG	L	Home Fries
Pancake Plate	Green	VG	L	Yellow	VG	L	Cakes on Egg Plate
Coffee on Table	Blue	VG	L	Green	VG	M	Refills by Waiter Gets Syrup on Eggs
Cost/(Price)	$9						

Source Selection Process



Competitive Range

- Reduction of number of contractors with whom discussions will be held
- Each proposal is rated against all evaluation factors
- PCO determination (w/SSA approval)
- Exclusion
  - When in doubt, leave them out
  - Comprised of all most highly rated proposals unless further reduced for efficiency
- Successive competitive range determinations possible

EXCHANGES WITH INDUSTRY

- **Exchanges Before Competitive Range**
  - **Clarifications**
  - **Communications**
- **Exchanges After Competitive Range**
  - **Negotiations - Sole Source**
  - **Discussions - Competitive**

TYPES OF EXCHANGES

(AFTER RECEIPT OF PROPOSALS)

CLARIFICATIONS*
as needed with AWOD

- ADVERSE PAST PERFORMANCE
- PPI RELEVANCE
- MINOR OR CLERICAL ERRORS

COMMUNICATIONS*
to determine competitive range

- SHALL- ADVERSE PP IS DETERMINING FACTOR IN EXCLUSION
- MAY -
- INCLUSION OR EXCLUSION UNCERTAIN
- ENHANCE GOV UNDERSTANDING
- REASONABLE INTERPRETATION
- FACILITATE GOV EVALUATION PROCESS
- AMBIGUITIES, PERCEIVED WEAKNESSES, OMISSIONS, MISTAKES, ETC . . .
- PPI RELEVANCE

NEGOTIATIONS/DISCUSSION

- CONDUCTED WITH OFFERORS IN THE COMPETITIVE RANGE
- GOAL IS TO GET BEST VALUE
- DISCUSS INADEQUACIES, WEAKNESSES, DEFICIENCIES, AND OTHER ASPECTS OF THE PROPOSAL TO ENHANCE AWAR
- DISCUSS EFFORTS ABOVE MANDATORY MINIMUMS

***Neither clarifications nor communications allow for an opportunity for proposal revision.**

DISCUSSIONS

- **Tailored to each offeror**
- **Conducted with each offeror in competitive range**
- **Intent is to allow proposal Revision**
- **May Apply to:**
  - **Price**
  - **Schedule**
  - **Technical Requirements**
  - **Contract Type**
- **May include “Bargaining”**

EVALUATION NOTICE (EN)

.Exchanges with offerors for purposes of clarifications, communications, or discussions.

.Type of exchange must be identified

. ENs which result from deficiencies in offeror's proposal must be clearly identified to the offeror as deficiencies.

. Reviewed and approved by SSET Chair

WHAT MUST BE DISCUSSED?

- **Significant Weakness is a FLAW THAT APPRECIABLY INCREASES RISK of unsuccessful contract performance. (FAR 15.301)**
- **Deficiency is a MATERIAL FAILURE to meet a Govt requirement or a combination of significant weaknesses THAT INCREASES RISK of unsuccessful performance TO AN UNACCEPTABLE LEVEL. (FAR 15.301)**
- **Other aspects of the Proposal** "that could, in the opinion of the contracting officer, be altered or explained to enhance materially the proposals potential for award."

WHAT MAY BE DISCUSSED?

- Min Thresholds/Goals
  - Increased Performance Beyond Mandatory Minimums
  - Removal of Excesses to Lower Price
- Price
  - Too High/Too Low
  - Funds Available
  - Government Cost Estimates
  - Current Contract Prices

LIMITS ON DISCUSSIONS

- Technical Transfusion
  - Technical Leveling
- May not favor one offeror over another
- May not release the name of individuals providing past performance information
- May not knowingly release source selection information
- May not release offeror’s price without permission

FINAL PROPOSAL REVISION

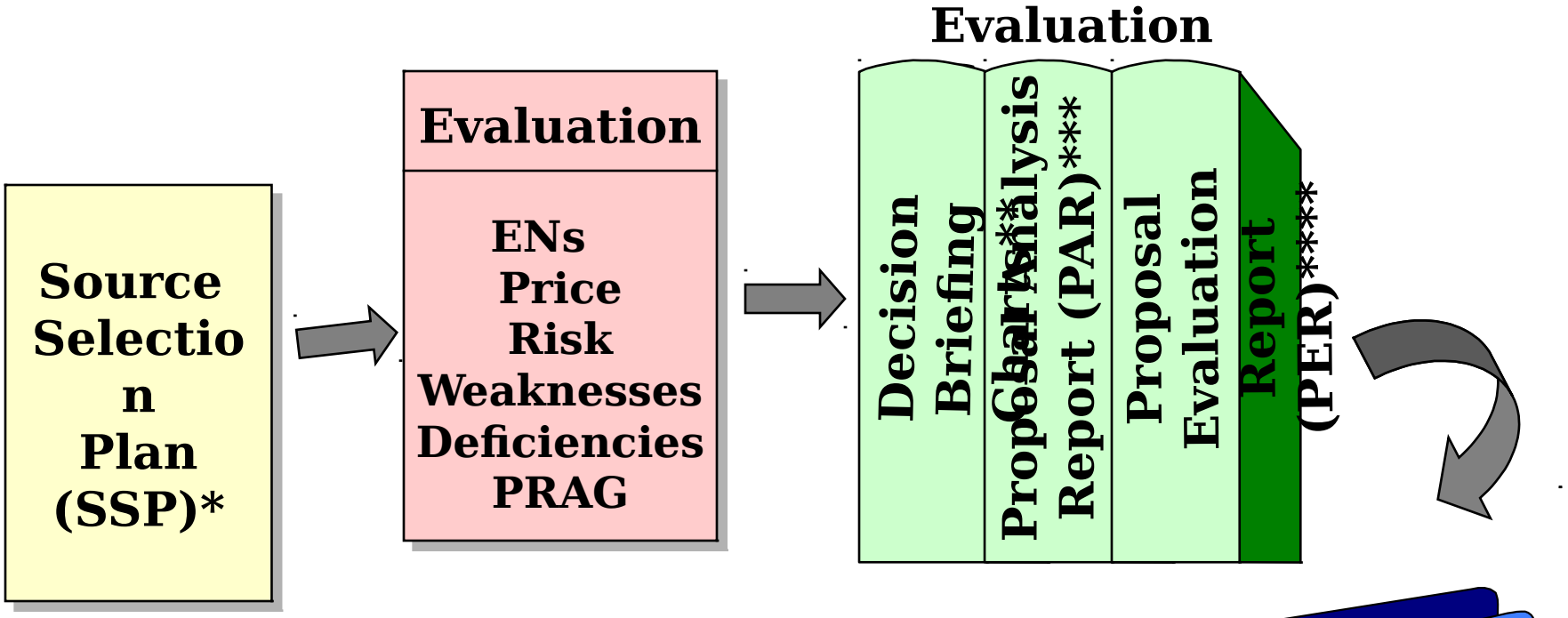
- **Issued to all offerors in competitive range**
- **Provides agreed to “model contract”**
  - **Technical baseline**
  - **Terms and conditions**
  - **Business arrangement**
- **Notes that discussions are concluded**
- **Requests pricing of negotiated agreement**

Release of Interim Rating Status

[AFARS 5315.306 (d)(3)]

- Mandatory for all ACAT Programs
- Required immediately prior to request for Final Proposal Revision (FPR)

Documentation

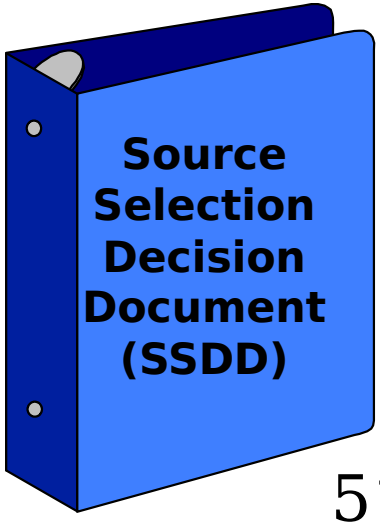


* For BASIC - SSP need not be a separate document but can be included in PER (see below).

** Mandatory for MEDIAN/AGENCY; Optional for BASIC.

*** Mandatory for AGENCY /ALL ACAT PROGRAMS; Optional for MEDIAN.

**** Required for BASIC only. Written incrementally. Sec I-Modified SSP; Sec II-Evaluation Detail (Used in Debrief); Sec III-Comparative Analysis; Sec IV-SSDD



Debriefings

- **Overall ranking of all offerors (if applicable)**
- **Use same briefing charts used for SSA**
- **Redacted SSDD to all offerors**
- **Reasonable responses to relevant questions**
- **Do not discuss/present**
  - **Proprietary information of competing offerors**
  - **Successful offeror’s narrative**
  - **Inappropriate questions pertaining to SSET subjective decisions**